

GREEN SHEET REDIGEST

HB 2

2016 First Extraordinary Session

Broadwater

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

TAX CREDITS: Repeals the Student Assessment for a Valuable Education (SAVE) credit program (Item #14)

DIGEST

Present law establishes the Student Assessment for a Valuable Education (SAVE) credit program and provides for implementation of the program through the Board of Regents (the board) and Dept. of Revenue (DOR).

Present law requires the board to implement the SAVE credit program for each student enrolling at a public institution of higher education. Each student assessed shall be granted a SAVE credit against income, sales and use, gasoline and special fuel taxes equal to the individual amount of a SAVE assessment. The amount of each credit shall not exceed the average household tax liability in La. for the total of such taxes as determined and published by the DOR no later than June 30th of each fiscal year. In any fiscal year, the aggregate amount of SAVE credits shall exceed \$350 million.

Proposed law repeals present law.

Proposed law provides for application of certain tax credits before July 1, 2017.

Present law requires review by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs of various tax credits to determine if the economic benefit provided by each outweighs the revenue loss realized by the state. Requires that the review commence no later than January 31, 2017, and that the committees make specific recommendations no later than March 1, 2017, regarding continuation or termination of the credit.

Proposed law retains these provisions but provides that, notwithstanding any other law to the contrary, after June 30, 2017, that the various credits shall be inapplicable, inoperable, and of not effect.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 25:1226.4(A)(1), R.S. 47:34(A), 35(C), 37(A), 227, 265, 287.664, 287.748(B)(1), 287.752(A), 287.753(C), 287.755(C), 287.758(A)(1)(intro para), 297.6(B)(1), 297.9(A), 6004(A)(1), 6005(C)(1), 6006(E), 6006.1(G), 6008(D), 6009(D)(1), 6012(F), 6013(D), 6014(F), 6015(J), 6016.1(N), 6017(C), 6018(F), 6019(A)(1)(a), 6020(D)(1), 6022(L), 6023(I), 6025(D), 6026(E)(1), 6030(B)(1)(b)(intro para), (d), (2)(c), 6032(H), 6034(K), 6035(H), 6037(D)(5)(intro para), 6105(B), 6107(C), R.S. 51:1807(F), 2399.3(A)(1), and 3085(A); adds R.S. 25:1226.4(D), R.S. 47:34(F), 35(E), 37(I), 287.748(D), 287.752(D), 287.753(E), 287.755(I), 287.758(D), 297(Q) and (R), 297.6(D), 297.9(D), 6020(G), 6036(L), R.S. 51:2399.3(C), 2354(D), 3085(F); repeals R.S. 47:6039)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the engrossed bill

1. Adds provisions regarding application of certain tax credits before July 1, 2017.
2. Adds provisions that after June 30, 2017, the various credits are inapplicable, inoperable, and of not effect.